

## § 451.5

## 10 CFR Ch. II (1–1–01 Edition)

energy facility must meet the following qualifications—

(a) *Owner qualifications.* The owner must be—

(1) A State or a political subdivision of a State (or agency, authority, or instrumentality thereof);

(2) A corporation or association wholly owned, directly or indirectly, by a State or a political subdivision of a State; or

(3) A nonprofit electrical cooperative.

(b) *What constitutes ownership.* The owner must have all rights to the beneficial use of the renewable energy facility, and legal title must be held by, or for the benefit of, the owner.

(c) *Sales affecting interstate commerce.* The net electric energy generated by the renewable energy facility must be sold to another entity for consideration.

(d) *Type of renewable energy sources.* The source of the electric energy for which an incentive payment is sought must be a renewable energy source, as defined in § 451.2.

(e) *Time of first use.* The date of the first use of a newly constructed renewable energy facility, or a facility covered by paragraph (f) of this section, must occur during the inclusive period beginning October 1, 1993, and ending on September 30, 2003.

(f) *Conversion of non-qualified facilities.* Existing non-qualified facilities that are converted must meet either of the following criteria—

(1) A facility employing solar, wind, geothermal or biomass sources must be refurbished during the allowed time of first use such that the fair market value of any previously used property does not exceed 20% of the facility's total value.

(2) A facility not employing solar, wind, geothermal or biomass sources must be converted in part or in whole to a qualified facility during the allowed time of first use.

(g) *Location.* The qualified renewable energy facility must be located in a State.

### § 451.5 Where and when to apply.

(a) *Pre-application and notification.* (1) An applicant may submit at any time a pre-application, containing the information described in § 451.8 (a) through

(e), to obtain a preliminary and conditional determination of eligibility.

(2) To assist DOE in its budget planning, the owner or operator of a qualified renewable energy facility is requested to provide notification at least 6 months in advance of when a facility is expected to be first used, providing projected information specified in § 451.8 (a) through (e).

(b) *Application.* (1) Except as provided by paragraph (b)(2) of this section, an application for an incentive payment for electric energy generated and sold in a fiscal year must be filed during the first quarter (October 1 through December 31) of the next fiscal year.

(2) For energy generated and sold in fiscal year 1994, an application for incentive payment must be filed on or before September 5, 1995.

(3) Failure to file an application in any fiscal year for payment for energy generated in the preceding fiscal year shall disqualify the owner or operator from eligibility for any incentive payment for energy generated in that preceding fiscal year.

(c) *Where.* Applications and notifications to the Department shall be submitted to the Renewable Energy Production Incentive Program, U.S. Department of Energy, Golden Field Office, 1617 Cole Boulevard, Golden, CO, 80401.

### § 451.6 Duration of incentive payments.

Subject to the availability of appropriated funds, DOE shall make incentive payments under this part with respect to a qualified renewable energy facility for 10 fiscal years. Such period shall begin with the fiscal year in which application for payment for electricity generated by the facility is first made and the facility is determined by DOE to be eligible for receipt of an incentive payment. The period for payment under this program ends with fiscal year 2013.

### § 451.7 Metering requirements.

The net electric energy generated and sold (kilowatt-hours) by the owner or operator of a qualified renewable energy facility must be measured by a standard metering device that—

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(a) Meets generally accepted industry standards;

(b) Is maintained in proper working order according to the instructions of its manufacturer; and

(c) Is calibrated according to generally accepted industry standards.

### §451.8 Application content requirements.

An application for an incentive payment under this part must be signed by an authorized executive official and shall provide the following information—

(a) A statement indicating that the applicant is the owner, of the facility or is the operator of the facility and has the written consent of an authorized executive official of the owner to file an application;

(b) The name of the facility or other official designation;

(c) The location and address of the facility and type of renewable energy source;

(d) The name, address, and telephone number of a point of contact to respond to questions or requests for additional information;

(e) A clear statement of how the application satisfies each and every part of the eligibility criteria under §451.4;

(f) A statement of the annual and monthly metered net electric energy generated and sold during the prior fiscal year by the qualified renewable energy facility, measured in kilowatt-hours, for which an incentive payment is requested;

(g) In the case of a qualified renewable energy facility which generates electric energy using a fossil fuel, nuclear energy, or other non-qualified energy source in addition to using a renewable energy source, a statement of the net electric energy generated, measured in kilowatt-hours, attributable to the renewable energy source, including a calculation showing the total monthly and annual kilowatt-hours generated and sold during the fiscal year multiplied by a fraction consisting of the heat input, as measured in appropriate energy units, received by the working fluid from the renewable energy sources divided by the heat input, as measured in the

same energy units, received by the working fluid from all energy sources;

(h) the amounts of accrued electric energy, by sources and by year, in kilowatt-hours, for which the applicant previously applied and DOE did not make an incentive payment because of insufficient appropriations;

(i) The total amount of electric energy for which payment is requested, including the net electric energy generated in the prior fiscal year, as determined according to paragraph (f) or (g) of this section, and the accrued energy as determined according to paragraph (h) of this section;

(j) Preferred method of payment (check or wire transfer) and instructions;

(k) A statement agreeing to retain records for a period of three (3) years which substantiate the annual and monthly metered number of kilowatt-hours generated and sold, and to provide access to, or copies of, such records within 30 days of a written request by DOE; and

(l) A statement signed by an authorized executive official certifying that the information contained in the application is accurate.

(m) If a nonprofit electric cooperative, a statement certifying that no claim for tax credit has been made for the same electricity for which incentive payments are requested.

### §451.9 Procedures for processing applications.

(a) *Supplemental information.* DOE may request supplementary information relating to the application.

(b) *Audits.* DOE may require the applicant to conduct at its own expense and submit an independent audit, or DOE may conduct an audit, to verify the number of kilowatt-hours claimed to have been generated and sold by the qualified renewable energy facility and for which an incentive payment has been requested or made.

(c) *DOE determinations.* Upon evaluating the application and any other relevant information, DOE shall determine:

(1) Eligibility of the applicant for receipt of an incentive payment, based on the criteria for eligibility specified in this part; and